

# AMERICAN LEGION AUXILIARY

## NATIONAL LEADERSHIP CODE OF ETHICAL CONDUCT

*Service Not Self* is a concept that governs everything we do for the American Legion Auxiliary. The ALA exists to support The American Legion and to honor the service of our veterans, military, and their families. The organization has pursued that mission for over a century, and during that time has learned that achieving these goals requires a strong focus on our core values of integrity, honesty, fairness, openness, responsibility, and respect.

This Code of Ethical Conduct (“Code”) provides a framework for how we at the national level apply these core values in our service. The National Executive Committee (“NEC”) is composed of national officers, Past National Presidents, and National Executive Committee members from all departments. The National Leadership team is composed of the NEC and national appointees (collectively, our “National Leadership”). The Code is the defining document explaining the culture of our organization, and we require that all National Leadership read it, understand it, and apply its principles in all of their service for the ALA.

It is in the best interest of the National Organization to actively address all violations of this Code, which is only possible if concerns are raised clearly and quickly. For this reason, we strongly encourage prompt reporting of concerns using the reporting channels described in the Ethical Conduct Review Policy, and all reports will be treated with the same standards described in this Code. The ALA strictly prohibits retaliation against anyone for making a good faith report of suspected wrongdoing. A report is made in good faith if it is made with honest intentions, not maliciously or for personal gain, and the information in that report is true and complete to the best of your knowledge.

When it comes to upholding the values of the ALA, common sense and your moral compass will almost always show you the way, but the Code is here to provide National Leadership with additional guidance and support. Thank you for sharing our commitment to integrity, honesty, fairness, openness, responsibility, and respect as we continue our work together to enhance the lives of veterans, military, and their families, both at home and abroad.

### 1. Requirements of all National Leaders

#### a. Ethical Conduct

All National Leaders are expected to uphold and follow the governing

documents of the ALA: the National Constitution, Bylaws, and Standing Rules, as well as all national policies and procedures. Conduct that is suspected to be a violation of its governing documents or detrimental to the best interests of the organization may be referred to the Ethical Conduct Committee. While it is not possible to provide an exhaustive list of all potential ethics violations, some key examples include the following:

- Violations of bylaws, standing rules, or other policies or procedures.
- Violations of federal, state, or local laws that result in a conviction.
- Conduct, whether past or present, that presents potential liability risk, reputational risk, or hinders the mission of the ALA National Organization.

b. Diversity, Equity, and Inclusion

We are proud of our organization's diversity. We are strengthened by the range of backgrounds and beliefs represented by our membership, and we believe that we do our best work in an atmosphere of mutual respect for the worth and dignity of our members, those eligible to become members, our National Headquarters employees, and those we serve. We do not discriminate on the basis of race, sex, national origin, religion, disability, age, sexual orientation, marital status, parental status, medical condition, or any other legally protected characteristic.

2. Requirements Specific to the NEC

In addition to the ethical responsibilities that apply to all National Leaders, the NEC is responsible for the following:

a. Corporate Governance

As national board members, the NEC has an obligation to carry out the following legal duties:

- **DUTY OF CARE.** The duty of care describes the level of competence that is expected of a board member and is commonly expressed as the duty of care that an ordinarily prudent person would exercise in a like position and under similar circumstances. This means that you have a duty to exercise reasonable care when you make a decision as a steward of the ALA.
- **DUTY OF LOYALTY.** You must give undivided allegiance when making decisions affecting the ALA. This means that you must

always act in the best interests of the organization and must place the interests of the National Organization above your own personal interests.

- DUTY OF OBEDIENCE. You are obligated to obey applicable laws and ALA national governing documents and policies and may not act in a way that is inconsistent with the ALA's mission or goals.

Maintaining law and order is part of our values as an organization, and we are committed to compliance with all applicable federal, state, and local laws and regulations, including but not limited to laws and regulations related to nonprofit administration and governance, labor and employment, financial accountability, taxation, fundraising, trademark protection, and licensing.

As members of a board of directors of a nonprofit organization incorporated in the state of Indiana, NEC members do not need to be experts in the law but do need to familiarize themselves with the laws that apply to their service and are responsible for seeking the advice and knowledge needed to stay reasonably informed. Members are expected to complete annual orientation/training on the duties of nonprofit directors. More information on the duties of Indiana nonprofit directors may be found on Indiana's General Assembly website, Indiana Code Title 23, Article 17 - Nonprofit Corporations.

In addition to the basic duties that exist under the law, the NEC must:

- Promote a culture of integrity by making ethical decisions and reflecting our core values in its actions.
- Ensure that the National Organization conducts all communication, business, and transactions with honesty and transparency.
- Ensure that all ALA national policies are in writing, clearly articulated, officially adopted, regularly reviewed, fairly and consistently enforced, and effectively communicated to everyone governed by them.
- Periodically review the National Organization's structure, procedures, and programs, and determine whether any policies or practices should be changed to comply with applicable laws, ALA national policy and values, or general best practices.
- Attend annual NEC orientation, NEC training sessions, and all NEC meetings unless the absence is excused at the discretion of the National President.

#### b. Responsible Stewardship

Our success as an organization depends not just on the strength of our programs but on our ability to use our resources wisely. Theft, carelessness, and waste have a direct impact on our culture, our reputation, our integrity, and our ability to carry out our programs, so all NEC members are required to ensure that our assets are used efficiently, and only for legitimate purposes. Specifically, the NEC must ensure that:

- The resources of the organization are responsibly and prudently managed; and
- The organization has the capacity to carry out its programs effectively.

#### c. Openness and Disclosure

The ALA's reputation depends on maintaining trust with the public. For this reason, the NEC is responsible for ensuring that the National Organization provides comprehensive, timely, and appropriate information to the public, the media, and its members, and is responsive to reasonable requests for information, and that all information about the National Organization fully and honestly reflects the policies and the practices of the ALA.

#### d. Conflicts of Interest

As nonprofit board members, members of the NEC have a legal duty to act in the best interests of the ALA and to avoid conflicts of interest as detailed in our Conflict of Interest Policy. Evaluating whether a conflict of interest exists can be difficult, and may involve a number of considerations, which is why you are required to annually disclose all potential and actual conflicts of interest of which you are aware, disclose any time you become aware of a conflict, and abstain from voting on such matters.

#### e. Fundraising

The ALA deeply values its relationships with individual and corporate donors. As detailed in national policy, all NEC members are required to protect the privacy of ALA national donors, and to ensure that funds are always expended in a manner that is consistent with donor intent.

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